CHAPTER 9

MATERIEL RETURNS PROGRAM AND LATERAL REDISTRIBUTION OF RETAIL ASSETS

A. GENERAL

1. This chapter provides procedures for the interchange of information, between the owning organization and the item manager, on the reporting and disposition of excess materiel. In addition, this chapter provides procedures for ICP/IMM directed lateral redistribution of retail assets identified by an Inter- or Intra-Service retail asset visibility system. These procedures also establish the necessary controls to ensure timely processing of related transactions and provide for the automatic return of material under specified conditions.

2. Policy regarding reporting of assets, transfer of assets, and lateral redistribution of assets, is contained in DoD 4140.1-1 R, DoD Materiel Management Regulation.

3. Excess reports (DI FTE) and follow-on documentation transmitted by AUTODIN will always be routed through DAAS.

4. Credit for materiel returns is granted on the basis of receipt and classification by the consignee. Procedures for the timeframes and transactions for providing credit for materiel returns and lateral redistribution is contained in MILSBILLS (reference (s)).

B. APPLICABILITY AND SCOPE

The provisions of this chapter are applicable to all activities offering or returning material to a Service ICP, DoD IMM, or the GSA. These provisions also apply to activities receiving and processing lateral redistribution orders of retail assets. Policy regarding utilization and redistribution of MAP material is contained in DoD 5105.38-M, chapter 11, section II, (reference (t)). These procedures also apply to the processing of nonconsumable items.

C. EXCLUSIONS

1. Excess reports identified by part numbers exceeding rp 8-22, of the stock or part number field, are excluded from the DAAS' processing of DI FTG transactions. Other excess reports for items not identified by an NSN are excluded from these procedures on an inter-S/A basis.

2. Perishable subsistence items, with the exception of perishable subsistence returns (other than FF&V) from Navy mobile logistics, support fleet ships in the Pacific area.

3. IPE identified only by plant equipment code/manufacturers part number. These items will be reported to RI S9R on DD Form 1342, DoD Property Record.

4. Class V (W) ground (surface) ammunition.

5. Lumber products (with exception of lumber product items stocked by GSA).

6. Items under DNA management, such as FSG 11 and all DOE special design and quality controlled items (identified by CAGE 87991 in the DLSC master item file), and all DoD items designed specifically for use on or with nuclear weapons (identified by CAGE 57991, 67991, or 77991

in the DLSC master item file). (These items will be processed under DOE-DNA TP 100-1, et al. (reference (ff)).)

7. Excess ADPE under DoD 4160.21-M (reference (k)).

D.   RESERVED

E.   PREPARATION OF CUSTOMER EXCESS REPORTS (D1 FTE/FTG)

1. Excess reports (D1 FTE) will be prepared using one of the following mediums with data elements shown in appendix C. Part-numbered excess reports using DI FTG will only be prepared in the mechanical format on DD Form 1348m.

a. DD Form 1348m, DoD Single Line Item Requisition System Document (Mechanical).

b. DD Form 1348, DoD Single Line Item Requisition Document (Manual).

c. DD Form 173/2, DoD Joint Messageform.

2. The mechanical DD Form 1348m will be used as the normal excess reporting document and will be electrically transmitted via data pattern communications media to the supply source via the DAAS. The mechanical document will be prepared in the format contained in appendix C30. Preparation will be by mechanical means.

3. The manual DD Form 1348 will be prepared as reflected in appendix C30. The manual form will be used only when:

a. Facilities are not available to the reporting activity to permit electrical transmission of documents or when machine processing facilities are not available.

b. The reporting coding structure does not provide sufficient data to assist the ICP/IMM in making decisions on disposition of material or the granting of credit to the reporting activity. In these instances, the exception data will be entered in remarks portion of the manual DD Form 1348. Reporting activities should not attempt to use exception data as a normal method for reporting of excess material as this necessitates processing excess reports offline by both the reporting activity and the ICP/IMM.

c. The excess report must be accompanied by technical data including special forms.

d. Manually prepared reports will be submitted by priority mail with containers conspicuously marked MILSTRIP EXCESS REPORTS.

4. The joint message form (DD Form 173/2) will be prepared using appendix A23. The message form will be used only when:

a. Data pattern communication facilities are not available and

b. Rapid document transmission is required to expedite processing of the excess report.

5. Excess reports of serviceable NIMSC 5 items from SICA reporting activities to the

appropriate Service SICA will be submitted under Service implementing instructions. Quantities which are not required by the SICA will be forwarded to the PICA using DI FTE, the PICA'S RI in rp 4-6, M&S 9, Signal Code C or L, the SICA's fund code in rp 52-53, and the SICA's RI in 67-69. If appropriate, the SICA will provide DI FTD delay status to the excess holder for the quantity referred to the PICA, under paragraph M.5. The date in rp 70-73 of the FTD, if used, will be 35 days subsequent to the date the report. was forwarded to the PICA. The PICA will provide disposition instructions to the SICA, designated by rp 52, and the M&S. The SICA, in turn, will provide disposition instructions to the reporting activity under Service implementing instructions.

6. When the SICA has excess NIMSC 5 serviceable stocks on hand, the SICA will prepare DI FTE under guidelines above but with the SICA's own document number.

F.   SUBMISSION OF CUSTOMER EXCESS REPORTS (D1 FTE/FTG)

1. Reporting of excesses will be determined by the existing retention and reporting policy under DoD 4140.1 R, DoD Materiel Management Regulation.

2. Excess reports will be forwarded by the reporting activity to the ICP/IMM. All GSA customer excess reports will be forwarded to RI GGO. Part number excess reports (D1 FTG) will be forwarded directly to DAAS for possible conversion to an NSN using information in the DLSC DILS files. Excess reports (D1 FTE) transmitted by electronic means will always be routed through DAAS.

G.   CANCELLATION OF CUSTOMER EXCESS REPORTS (DI FTC)

1. Use appendix C35 to prepare cancellation of excess reports, in total or partial quantities, and submit to the ICP/IMM under the following conditions:

a. When a determination is made that material is not available in the quantity reported on the excess report, a cancellation (D1 FTC) will be promptly submitted to the ICP/IMM indicating the quantity to be canceled.

b. Upon determination that material directed for return will not be returned, a cancellation (DI FTC) will be promptly submitted to the ICP/IMM indicating the quantity to be canceled.

2. The need for timely and accurate cancellation actions under the above conditions is emphasized to avoid unnecessary followup actions and to ensure that ICP/IMM records or expected returns reflect proper quantities.

H.   PROCESSING REPLIES TO CUSTOMER EXCESS REPORTS (DI FTR)

1. The reply to excess report (D1 FTR), prepared under appendix C31, is used by the ICP/IMM to respond to all excess reports (DI FTE). The reporting activity will process the DI FTR reply using the excess transaction status code and take the following actions:

a. Use paragraph G. to submit a cancellation (DI FTC) when it is determined that material directed for return will not be returned.

b. Use appendix C36 to prepare a shipment status (D1 FTM) and promptly submit to the ICP/IMM after material directed for return is released to the carrier. Prepare a'separate DI FTM fOr each shipment. Exercise care to ensure that appropriate data content, including suffix (rp 44) of

the individual DI FTR document, is perpetuated in the DI FTM.

2. Upon receipt of a DI FT6 followup on a DI FTR from the ICP/IMM, the reporting activity will review records to determine whether or not a DI FTR had been received. If there is no record of having received a DI FTR, the DI FT6 will be converted to a DI FTR and processed. If shipment has not occurred, a DI FTL citing the ESD will be submitted. If records indicate that shipment has occurred, the transportation activity will be queried to ensure the material has actually been shipped. If the material has been shipped, a new DI FTM will be created. If material has not been shipped, ascertain when the shipment will be made and follow the above procedures. When less than the total quantity contained in the original DI FTR is to be shipped, the reporting activity will respond to the DI FT6 with a DI FTL for the quantity to be shipped and a DI FTC for the quantity which will not be shipped. If any of the shipment has already occurred, the reporting activity will respond to the DI FT6 with DI FTM for the quantity which has been shipped and with DIs FTL and/or FTC for the remaining portions of the originally reported quantity, as appropriate.

3. When DI FTR is transmitted to the SICA designated by rp 52, the SICA will forward the disposition instructions to the excess holder under Service implementing instructions. The excess holder will provide advice to the SICA regarding shipment or cancellation as appropriate, under Service implementing instructions, and the SICA will provide DI FTM or FTC to the PICA. If the SICA receives DI FT6 from the PICA and has no record of shipment, the SICA will follow up to the excess holder and submit an interim DI FTL to the PICA containing a future ESD to preserve the PICA'S due-in record pending a firm reply to the DI FT6.

L   FOLLOWUPS ON REPORTED EXCESSES (FTF/FTT/FTP)

1. Reporting Activity Followups Consist of Three Types:

a. _____ Followup ICP/IMM Mply Reexcess Report (DI FTF). This type followup will be used to obtain intelligence regarding status of the original excess report (DI FTE) and will be prepared using appendix C34. DI FTF will be submitted no earlier than 30 days from date of submission of the DI FTE and will contain the same data as reflected in the DI FTE. If a DI FTD has been received, the DI FTF will be submitted at the expiration of the expected reply date and a DI FTR has not been received.

b. Followup for ICP/IMM Material Receipt Status (DI FTT) This type followup will be used when material to be returned has been shipped as directed by a Reply to Excess Report (DI FTR) but an ICP/IMM Material Receipt Status (DI FTZ) has not been received. This followup will be prepared using appendix C40. DI FTT will be submitted no earlier than 70 days (CONUS) or 130 days (OCONUS) after shipment. The data for the DI FTT will be the same as reflected in the DI FTM.

c. Followup for Credit (DI FTP) This type followup will be used when material to be returned has been shipped and credit allowance was indicated by ICP/IMM Material Receipt Status (DI FTZ) but no credit billing has been received. This followup will be prepared under MILSBILLS (reference (s)).

2. Followups will be submitted to the ICP/IMM to whom the original excess report (DI FTE) was submitted, except when information has been received in a DI FTQ status document that the DAAS has rerouted the excess report to the correct ICP/IMM. In this case, the followup will be submitted to the activity identified in the DI FTQ status document received from the DAAS.

J.   AUTOMATIC RETURNS (FTA)

1. DI FTA is used for items designated by a supply source for automatic return. Supply sources will notify reporting activities of the location to which items so designated are to be shipped. DI FTA format is contained in appendix C37.

2. All NIMSC 5, unserviceable (Supply Condition E or F), items are designated for automatic return on an inter-Service basis. PICAS will notify SICAs of the NSN and the storage activity to which such items are to be shipped. PICAS will also notify the receiving storage activity of the NSN of such items which are to be returned. The SICAs will perpetuate this information to the SICA activities using intra-Service procedures. If there is no S/ASICA for the items identified for automatic return by a PICA (for example, the Coast Guard), the PICA will provide the information to the appropriate S/A designated activity.

3. When an unserviceable NIMSC 5 item is automatically returned and a replacement item will be requisitioned, the DI PTA and subsequent documentation will contain Project Code 3AL. If a replacement for the unserviceable NIMSC 5 automatic return item will not be requisitioned (for example, the returned item is excess to the returning activity's authorization or requirement), the DI FTA and related documentation will not contain Project Code 3AL. The DI FTA to the PICA must contain the data elements specified in paragraph E.5. for the DI FTE except for the M&S which may be assigned using S/A instructions; the SICA RI will be entered in rp 67-69 if M&S 9 is assigned. Subsequent to the generation of DI FTA, processing will occur as though there has been a DI FTE report and a DI FTR reply, along with other provisions of this chapter, excluding DIs FTF and FTD.

4. No other inter-S/A use of DI FTA is currently authorized.

5. S/As may use DI FTA internally for intra-S/A programs that do not conflict with other provisions of this manual.

K.   RESERVED

L.   DEFENSE AUTOMATIC ADDRESSING SYSTEM

DAAS will accomplish the following:

1. DIs FTM, FTP, and FTT will be passed to the activity represented by the RI in rp 4-6.

2. DIs FTB, FTD, FTQ, FTR, FTZ, and FT6 will be routed using the M&S code.

3. DI FTA, FTC, FTE, and FTF containinq M&S 9 will be passed to the RI in rp 4-6 by DAAS when the signal code is" C or L and the code in rp 52 identifies a valid bill-to DoDAAC "using the fund code supplement to MILSBILLS (reference (hh)). If the signal code is not C or L or the activity in rp 52 cannot be identified, DAAS will return the transaction to the originating station with a narrative explanation of the reason for return. When DI FTA does not contain M&S 9, DAAS will pass the transaction to the RI in rp 4-6.

4. When DIs FTC, FTE, and FTF do not contain M&S 9, DAAS will perform an NSN/NIIN validation and SOS edit as follows:

    a. If the NSN is correct and managed by the ICP/IMM identified in rp 4-6, Advice

Code 3T will be entered in rp 65-66 and the document will be transmitted to that ICP/IMM.

b. If the NSN is correct but is not managed by the ICP/IMM identified in rp 4-6, the correct ICP/IMM RI will be entered in rp 4-6, Advice Code 3T will be entered in rp 65-66, and the document will be transmitted to the correct ICP/IMM. DAAS will furnish the reporting activity a DAAS Customer Excess Report Informative Status (DI FTQ) with Status Code TZ in rp 65-66.

c. If the FSC/NIIN NSN validation indicates that the FSC is incorrect, the FSC will be changed and the RI of the ICP/IMM in rp 4-6 will be changed where applicable. Advice Code 3T will be entered in rp 65-66 and the document will be transmitted to the managing ICP/IMM. DAAS will furnish the reporting activity an DI FTQ with Status Code TZ in rp 65-66.

d. If routing to an ICP/IMM cannot be accomplished by DAAS, the document will be passed to the activity identified in rp 4-6.

5. DAAS will validate DI FTG transactions, part-numbered excess reports, against the DLSC DILS files in search of a potential NSN match. If an NSN is found, DAAS will change the DI FTG to DI FTE for mntinued processing. As a result of the DI change, DAAS will generate a DI FTQ transaction with Status Code TZ. For part-numbered transactions not matched to an NSN DAAS will generate a DI FTQ transaction containing Status Code T9. Nonmechanical part-numbered (DI FTG) transactions will 'not be processed by DAAS but will be rejected for processing under intra-Service/Agency procedures.

6. DAAS will edit DI FTR rejects containing Status Codes SC and SD for correct ICP/IMM and FSC as follows:

a. If the NSN is correct and belongs to the rejecting ICP/IMM, the DI FTR will be converted to DI FTE with Advice Code 3T in rp 65-66 and returned to the rejecting ICP/IMM. When DAAS converts DI FTRs to DI FTEs and returns the DI FTEs to the rejecting ICP/IMM, DAAS will enter code D in rp 70 of the DI FTE to provide the ICP/IMM with a duplicate document override edit.

b. If the FSC is incorrect, the DI FTR will be converted to DI FTE with the correct FSC; Advice Code 3T will be entered in rp 65-66 and the document will be returned to the rejecting ICP/IMM or transmitted to the correct ICP/IMM.

(1) When DAAS converts DI FTRs to DI FTEs and routes the DI FTEs to an ICP/IMM other than the rejecting ICP/IMM, DAAS will furnish the reporting activity with DI FTQ status containing Status Code TZ in rp 65-66.

(2) When the converted DI FTE is routed back to the rejecting ICP/IMM, code D will be inserted into rp 70 to provide the ICP/IMM with a duplicate document override edit and DAAS will furnish the reporting activity a DI FTQ containing Status Code TZ in rp 65-66.

c. If a DLA/GSA/Navy IMM has coded the item inactivated in DAAS records and a DLA, GSA, or Navy activity originated the reject document, DAAS will change the status code in rp 65-66 to TC and forward the DI FTR to the reporting activity.

7. DAAS will edit DI FTR rejects from GSA with Status Code SC as follows:

a. If the NSN is correct and it is managed by GSA, DAAS will change the status code in rp 65-66 to TC and forward the DI FTR to the reporting activity.

b. If the NSN is correct but not managed by GSA, DAAS will convert the DI FTR to FTE, enter Advice Code 3T in rp 65-66, and transmit the document to the appropriate ICP/IMM. In addition, DAAS will furnish the reporting activity a DAAS Excess Report Informative Status document (DI FTQ) with Status Code TZ in rp 65-66.

c. If the NHN is valid and the FSC is incorrect, DAAS will convert DI FTR to DI FTE with the correct FSC; enter Advice Code 3T in rp 65-66 and transmit the FTE document back to GSA or to the managing ICP/IMM. When the converted FTE is routed back to GSA, code D will be inserted in rp 70 to provide a duplicate document override edit. DAAS will furnish the reporting activity an DI FTQ with Status Code TZ in rp 65-66.

d. If the NSN cannot be identified, DAAS will change the status code to SD and transmit the DI FTR to the repotting activity.

8. DAAS will automatically route all DI FTE transactions for GSA managed items to RI GGO.

M. INVENTORY CONTROL POINT/INTEGRATED MATERIEL MANAGER ICP/IMM PROCESSING OF CUSTOMER EXCESS REPORTS (D1 FTE)

1. Excess reports will be processed to determine disposition of reported assets. Excess reports containing project codes assigned for specific returns program purposes (such as rollbacks and automatic returns) will be processed under the assigned controls.

a. The Reply to Customer Excess Report (DI FTR) will be prepared using appendix C31 to respond to excess reports no later than 30 days from date of receipt of the DI FTE.

b. If a DI FTR cannot be provided within 30 days, send a DI FTD (appendix C33) with Status Code TR and enter a date in rp 70-73 when final disposition instructions are expected to be provided.

c. Suffixes, as indicated in appendix B8, will be used to identify partial actions.

2. If it is determined that the material is required, forward a DI FTR citing Status Code TA, TB, TH, or TJ to the reporting activity. The ICP/IMM will establish a due-in for the quantity of material to be returned and generate a MILSTRAP (reference (cc)) PMR transaction to the receiving depot.

a. The time allowed for shipment and return of material is 120 (CONUS) and 180 (OCONUS) days and the counting starts with the day of posting the receipt of the customer DI FTM by the ICP/IMM.

b. If the material is not received within 120 (CONUS) or 180 (OCONUS) days from the ICP/IMM receipt posting date of the DI FTM, or 30 days have elapsed since the transmission of a DI FT6 without receiving a response, the ICP/IMM will take action to cancel the due-in and delete the PMR transaction. The due-in and PMR transaction will also be canceled when a DI FTC is received from the customer activity. The MILSTRAP estimated delivery date required for the due-in will be 120 (CONUS) and 180 (OCONUS) days from the processing date of the DI FTR. The due-in estimated delivery date will be updated upon receipt of the DI FTL or DI FTM.

c. Action taken to cancel the due-in and delete the PMR transaction does not preclude requirements prescribed in other DoD manuals and joint regulations to initiate tracer action

and file discrepancy reports, such as a TDR or ROD, on shipments not received but for which shipment status has been received.

3. Enter PDs in DI FTR documents as follows:

a. PD 03 ·will be used in the return of critical items and approved intensive management items (including serviceable local excesses of such items).

b. PD 06 will be used in the return of material identified by the material manager as qualified for automatic return to the DoD distribution system.

c. PD I3 will be used in the routine return of material not covered above (except surplus and scrap) such as the return of local excess stocks to supply sources.

4. Excess reports received by the ICP/IMM which cannot be processed will be rejected to the reporting activity using DI FTR status with the appropriate S_ series reject status code from appendix B16.

5. Excess reports received for items requiring extended screening review will be suspended. The reporting activity will be furnished a DI FTD with Status Code TR containing an estimated date of reply in rp 70-73.

6. All manually prepared excess reports (DI FTE) received by an ICP/IMM for which it is not the prime manager will be forwarded to the responsible ICP/IMM for processing. The correct ICP/IMM RI will be entered in rp 4-6 of the DI FTE. The ICP/IMM will furnish the reporting activity with an DI FTR containing Status Code T6 in rp 65-66. The RI of the forwarding ICP/IMM will be entered in rp 4-6 and the RI of the ICP/IMM representing the last known source will be entered in rp 67-69.

7. If the determination has been made that a FSC change is required on a manually prepared excess report (DI FTE), the correct FSC will be entered, the RI of the ICP/IMM in rp 4-6 will be changed where applicable, and the DI FTE will be forwarded to the responsible ICP/IMM for processing. The reporting activity will be furnished with a DI FTR containing Status Code T7 in rp 65-66. The RI of the forwarding ICP/IMM will be entered in rp 4-6 and the RI of the ICP/IMM representing the last known holder will be entered in rp 67-69.

N.   INVENTORY CONTROL POINT/INTEGRATED MATERIEL MANAGER MATERIEL RECEIPT STATUS (DI FTZ)

1. The ICP/IMM will prepare DI FTZ documents using appendix C39 to provide reporting activities with notification of material receipt or nonreceipt on returns. The DI FTZ will be provided upon processing of the receipt for other than suspended condition material, or upon processing of inventory adjustment action moving assets from suspended condition to correct condition, or not less than 30 days after DI FT6 when no receipt or DI FTM has been processed. Multiple DI FTZ documents will be provided when a single shipment is received in more than one material condition. Status codes in the DI FTZ documents as follows:

a. Enter Status Code TN when credit is granted for the condition and quantity of material received.

b. Enter Status Code TM when reduced or no credit is allowed because the condition ` of material received is less than that authorized for return.

c. Enter Status Code TL when the material received is other than that authorized for return and no credit is allowed.

d. Enter Status Code TP when the material is not received within prescribed timeframes, followup action has been unsuccessful, and the credit authorization is canceled.

e. Enter Status Code TQ when the material has been received for an authorized noncreditable return.

2. DI FTZ will always reflect the document number, including the suffix code, contained in the DI FTA or FTR. When multiple DI FTZ documents are required for material received in different conditions, each DI FTZ produced will retain the document number and suffix of the DI FTA/FTR.

O.   PROCESSING OF SHIPMENT STATUS (DI FTM)

1. The shipment status document is an information document and normally requires no subsequent generation of documentation. ICPs/IMMs will receive shipment status documents and update appropriate ICP/IMM records. The shipment date indicated in the DI FTM is available to ICPs/IMMs to verify intransit status and provide information on expected receipts. DI FTM documents received for items not under the cognizance of the ICP/IMM will be rejected to the reporting activity using DI FTR with reject Status Code SC. DI FTMs which do not pass data field validity checks will be rejected to the reporting activity using DI FTR with the appropriate S_ series status code.

2. In the event that the ICP/IMM requires advice of shipment to support related supply decisions and the DI FTM has not been received, an ICP/IMM followup (DI FT6) will be prepared using appendix C38 and forwarded to the reporting activity. The DI FT6 will not be generated until at least five days have elapsed from the transmission of the DI FTR (PD 03) or 50 days (PD 13) and no DI FTM nor receipt has been posted. A DI FT6 with Status Code T3 may be generated upon expiration of the due-in timeframe when a DI FTM has been received, but receipt has not been posted. The ICP/IMM is authorized to follow up without regard to the established timeframe when the need arises to satisfy PD 01-08 requirements with excess material.

P.   PROCESSING FOLLOWUPS FROM REPORTING ACTIVITIES

1. Followups submitted by reporting activities consist of three types:

a. Followup for ICP/IMM reply to excess report (DI FTF).

b. Followup for ICP/IMM MATERIAL receipt status (DI FTT).

c. Followup for credit (D1 FTP).

2. On receipt of a DI FTF, the ICP/IMM will determine if there is a record indicating that the original DI FTE was received.

a. If a record is established and a DI FTD, indicating delayed response, was furnished to the customer, a duplicate DI FTD or FTR will be provided. If a record is established and. a DI code FTD or FTR was not provided, one of the following actions wilt be initiated:

(1) If the DI FTE transaction is in process, a DI FTD will be provided to the customer with Status Code TR in rp 65.66 indicating the DI FTE is in process and a DI FTR will be

provided at a later date.

(2) If the DI FTE was rejected by the ICP/IMM as invalid, the DI FTF will produce a DI FTR to the reporting activity with the same status code utilized in the original DI FTR.

b. If no record of receipt of the DI FTE exists, the ICP will process the DI FTF as a new DI FTE and provide a DI FTR, as appropriate, to the reporting activity.

3. On receipt of a DI FIT, the ICP/IMM will review records and take action as follows:

a. If the record indicates material has been received and classified, a DI FTZ will be transmitted to the customer.

b. If the records indicate that material has been received but not classified, the ICP/IMM will provide a DI FTR with Status Code TT to the customer.

c. If the records indicate that material has not been received, and if material is not located after investigation, the reporting activity will be furnished a DI FTR with Status Code TU.

4. On receipt of a DI FTP, the ICP/IMM will take action under MILSBILLS (reference (s)).

5. DI FTF received for items not under the cognizance of the ICP/IMM will be rejected to the reporting activity using DI FTR with reject Status Code SC. DI FTF which does not pass data field validity edits will be rejected to the reporting activity using DI FTR with appropriate reject status code.

Q. CANCELLATION OF CUSTOMER EXCESS REPORTS (DI FTC)

1. Upon receipt of cancellation (D1 FTC), the ICP/IMM will take necessary action to cancel or reduce quantity in all applicable documents affected by the DI FTC including decision to return, due-in record, PMRD, and credit suspense, if applicable.

2. Cancellation action will be initiated by the ICP/IMM when material is not received and no response has been received within 30 days after DI FT6 followup. Cancellation action will also be initiated by the ICP/IMM when a DI FTM is not received within 120 (CONUS) or 180 (OCONUS) days after the receipt of DI FTL. Cancellations initiated by the ICP/IMM or in response to a DI FTC will be accomplished as follows:

a. For creditable returns, notification of cancellation to the reporting activity will be made using DI FTZ with Status Code TP.

b. For noncreditable returns, notification of cancellation to the reporting activity will be made using DI FTZ with Status Code TV.

3. The ICP/IMM will follow these same cancellation procedures when material has not been received within 120 days (CON US) or 180 days (OCONUS) from the action date in rp 62-64 of the DI FTR or from the receipt posting date of the DI FTM, whichever is later.

R. INVENTORY CONTROL POINT/INTEGRATED MATERIEL MANAGER PROCESSING OF DI FTE/FTC/FTF DOCUMENTS WHEN SOURCE OF SUPPLY HAS CHANGED

1. Upon receipt of a DI FTE, FTC, or FTF transaction from DAAS with Advice Code 3T

when the SOS has been changed, the losing **ICP/IMM** will arrange to change the **DIDS** and DAAS SOS files.

2. Then, the losing **ICP/IMM** will prepare and transmit through DAAS **DIs** FTE, FTC, and/or FTF transactions, containing Advice Code 3U to the gaining SOS in rp 4-6.

3. DAAS will pass the **DI** FTE, FTC, or FTF **documents** to the gaining SOS.

S.   INVENTORY CONTROL POINT/INTEGRATED MATERIEL MANAGER LATERAL REDISTRIBUTION OF RETAIL ASSETS

This paragraph outlines procedures for generating lateral redistribution orders of retail material that has been identified through an Inter- or Intra-Service retail asset visibility system.

1. Service/Agencies may elect to exclude GFM, SA, and CFM backorders from these procedures.

2. If a backorder is to be supplied by lateral redistribution of material identified by an Inter- or Intra-Service retail asset visibility system, the LRO will contain appropriate data from the requisition, DI A4- in rp1-3, the RI of the reporting activity in rp 4-6, Distribution Code 2 in rp 54, and the ICP/IMM's RI in rp 74-76. The LRO will be forwarded through DAAS to the reporting activity. A DI AE with BA status will be provided to eligible status recipients. LROS for lateral redistribution of retail assets will be prepared in the appendix C21 format.

3. The reporting activity will:

a. Process the LRO on a fill/kill basis without substitution.

b. Provide DI AE6/BA status for material processing, or CB status for material denial to the activity identified in rp 74-76 of the LRO and include Distribution Code 2 in rp 54.

c. Insure material is shipped, using DD Form 1348-1A, to the activity identified in the LRO as the "ship-to" addressee. When the material is shipped, transmit a DI AS6 to the activity identified in rp 74-76 of the LRO. The DI AS6 will include the DODAAC, in rp 45-50, and fund code, in rp 52-53, of the activity to which the credit for the material and reimbursement for the PCH&T costs is to be provided; and signal code B, in rp 51, and distribution code 2 in rp 54.

d. Establish internal records to receive credit for the material and reimbursement for the PCH&T costs and not generate billing transactions.

4. The ICP/IMM:

a. Utilize the DI AE6 with BA status and a "2" in rp 54, to update estimated ship dates.

b. Upon receipt of the DI AS6 with a "2" in rp 54, generate billing transactions to the requisitioner and provide crediting transactions for the material and PCH&T costs, under the procedures of MILSBILLS (reference (s)), to the activity identified in rp 45-50 of the DI AS6.

c. Utilize the DI AS6 with a "2" in rp 54, to generate a DI AS8 transaction.

d. Upon receipt of an AE6 with CB status and a "2" in rp 54 reinstate the requisition

and provide appropriate status to eligible status recipients.

      e. Status transactions created as a result of processing DI AE6/AS6 transactions with a "2" in rp 54, will contain the distribution code of the original requisition.

      f. Generate DI AF 6 followups to the reporting activity with distribution code "2" in rp 54 when:

      (1) Initial supply status (BA or CB status) is not received on LROS within 10 days.

      (2) Supply status BA and no ESD and 10 days have elapsed since the transaction date of the BA status.

      (3) Supply status BA with an ESD and the ESD has expired.

      (4) No response received to previous followup and 10 days have elapsed. Continue to followup until status is received, backorder re-established or final disposition is determined.